

RNI primary business is to provide phone service to rural communities in the United States. RNI is a Voice over IP (VoIP) provider with a heavy concentration on destination-based pricing. RNI has a desire to improve its ability to provide local phone service to rural communities. The use of wireless technology is one of the most promising approaches to providing local phone service. RNI is currently working on a project that will allow it to provide local phone service at a cost to a subscriber that is less than the cost to that subscriber to use a mobile phone.

Dockets: 95-18, 99-81, and 00-258

As we investigated the possibilities for operating a Wireless Local Loop or, more properly, a Mobile Local Loop network to cover our markets, we found that most wireless spectrum is held by the major wireless carriers or by “small businesses” associated with these carriers and funded by these carriers. These carriers seem to be unwilling to allow RNI to obtain small amounts of spectrum in very small geographic areas. It seems to us that these companies do not consider the possibility that many people may be willing to use a wireless phone as their only phone if the voice quality matched that of their wired line and if the total price for service were competitive with wire line prices. Alternately, they may simply be interested in increasing their Average Revenue per User, which would argue against serving our constituency at all.

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Looking at our approach to the business in the context of this proceeding, RNI believes that the best solution for us to provide service to this population would be to change the etiquette requirements and allowable power levels on the 1910MHz – 1930MHz spectrum to allow deployment of internationally standard products that are already in high volume production and that are already in use in other countries while leaving the spectrum unlicensed. It is our belief that leaving the spectrum as unlicensed and allowing the use of standard (PHS in our case, but others could also be used) equipment to serve our subscribers is the only economic solution to allow us to provide service on a local basis, either by neighborhood in major cities or by small town in the Pacific Northwest. Any other solution to spectrum allocation, which would likely involve an auction process, would leave the cost of spectrum far too high for an operator looking to provide service covering only a small area. Even if licenses were defined on a single county basis, which would be smaller than any auctioned licenses to date, we believe that the costs for these licenses, or even the transaction costs to gain access to a small portion of a license, would be far higher than we could recover in the small geographies where we expect to operate. Leaving the spectrum as unlicensed would allow RNI to deploy a local service alternative one neighborhood or one small community at a time and would simultaneously allow others to deploy systems in other similar areas, or even in the same areas without the significant overheads associated with license partitioning or even leasing on such a local basis.

RNI asks that the Commission separate the different bands included in this proceeding and immediately approve rules that can allow the deployment of globally standard equipment in the 1910MHz – 1930MHz unlicensed band.

Sincerely,

Robert Smith
President

We Care About You!